

# Indiana House of Representatives

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## News and Information

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### **STATEHOUSE REPORT FROM REP. TRENT VAN HAAFTEN**

INDIANAPOLIS – Property tax relief and Major Moves are two of the most critical issues before the 2006 Indiana General Assembly, and both received attention this week from House members.

House Bill 1001 outlines a series of tax breaks for property owners in response to a biennial state budget that raised those property taxes. This bill offers some property tax relief, but it is still questionable whether this relief will equal the anticipated rise in local property taxes expected as a result of the biennial state budget approved in 2005.

The 2005-06 budget caps the amount of state-funded property tax relief, a move that has shifted close to \$1 billion in property taxes onto the backs of local taxpayers. The same budget also limited state support for public education, forcing school corporations to raise local taxes, cut programs, or lay off teachers and staff.

House Bill 1001 would provide a 3 percent cap on rate increases on residential property, a limit that does not include levies for debt service and local schools. It also would freeze local tax levies for child welfare services, a move that begins the process of having those services funded entirely at the state level. Senior citizens would receive deferrals if they receive excessive property tax increases.

All of these are admirable goals, but we have to ask how we will pay for them. Some supporters want to use money from the state's tax amnesty program to pay the bill, estimated at around \$150 million. I believe this is appropriate, but if there is no other way to pay for these breaks, then I am concerned local taxpayers again will be forced to foot the bill.

The Major Moves bill I discussed last week received its first hearing in the House Ways and Means Committee this week. Questions regarding the idea of selling state assets are beginning to be asked and the public debate on this proposal will determine its fate within the coming weeks.

I participated in the passage of two bills in committee this week. In Courts and Criminal Code, we passed House Bill 1049, which is a measure to protect children found at meth labs and strengthen the law regarding punishment for operating meth labs in hotels, motels and apartment complexes. This continues efforts to reduce the impact these drug labs have on our communities.

In Government and Regulatory Reform, House Bill 1362 – which allows the consolidation of political units, including school districts -- was sent to the full House for consideration. Currently, consolidation may occur, but a public referendum must first be approved by the General Assembly. If HB 1362 becomes law, then local legislative bodies will be able to decide if a public referendum is held, without prior approval of the Legislature.

We only have two more weeks to consider and pass House bills. With many significant pieces of legislation to consider in a short period of time, the remainder of January promises to be quite active.

A highlight of the week was seeing local friends at the State House. I got to spend time with Jim Droege and Geri and Rick Ziliak at the Soil and Water Conservation breakfast. I also met with Poseyville Town Council members Mark Seib and Bruce Baker, along with their wives, who were in town for the Indiana Association of Cities & Town meeting.

It is always a highlight of my day to see my fellow Posey Countians at the State House. I would encourage everyone to make the trip if able. It is also my pleasure to show you the people's house.

Please call me on the toll-free Statehouse telephone number of 1-800-382-9842, e-mail me through my Internet Web site at [www.IN.gov/H76](http://www.IN.gov/H76) or write to me in care of the Indiana House of Representatives, 200 W. Washington St., Indianapolis, IN 46204.

Finally, the U.S. Department of Transportation has declared that eight counties – two in northwest Indiana and six in southwest Indiana – can switch to the Central Time Zone, effective in April. That means 18 counties in our state will be on a separate time from the rest of Indiana, including the state capital in Indianapolis, throughout the entire year.

Once again, I believe there is a need to give the people of this state a chance to decide whether we should be on Central or Eastern Time. However, the governor and House leadership have indicated they will not support a plan to place the time zone issue up for public referendum. We will continue to push for passage of that plan, and I encourage anyone who wants to see this issue settled once and for all to call the governor's office (telephone number 317-232-4567) and the office of House Speaker Brian Bosma of Indianapolis (1-800-382-9842) to make their feelings known.

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